

## Message Text

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44

ACTION TRSE-00

INFO OCT-01 EA-11 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 XMB-07 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10 SS-20 STR-08

CEA-02 L-03 H-03 PA-04 PRS-01 USIA-15 OIC-04 IO-14

DRC-01 /173 W

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R 230738Z JAN 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 0545

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USADB

FOR NAC AGENCIES

TREASURY FOR FINKEL

E.O. 11652: ADS, DECLAS 12/31/75

TAGS: EAID, EFIN

SUBJ: POSSIBLE ADB EXPORT FINANCING

1. PRESIDENT INOUE RECENTLY INFORMED U.S. DIRECTOR HE INTENDS TO PRESENT WORKING PAPER ON POSSIBLE ADB EXPORT FINANCING TO BOARD OF DIRECTORS FOR COMMENTS AND REACTION. INOUE SAID HE WOULD LIKE TO REACH DECISION THIS SUBJECT PRIOR TO ANNUAL MEETING IN RESPONSE TO STATEMENTS MADE IN FAVOR OF BANK ACTIVITY IN EXPORT FINANCING BY GOVERNORS FROM SINGAPORE, KOREA, AND THAILAND AT LAST ANNUAL MEETING.

2. U.S. DIRECTOR INDICATED GENERAL RELUCTANCE ON PART OF USG TO VIEW SUBJECT FAVORABLY. INOUE OFFERED TO WITHHOLD  
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CIRCULATION OF PAPER IF U.S. SO WISHED.

3. IN EFFECT BANK SCHEME WOULD BE SIMILAR TO CURRENT IDB SCHEME. HOWEVER BANK LENDING RATE WOULD BE SAME AS ORDINARY CAPITAL RATE -- 7 1/2 PERCENT -- AND ELIGIBILITY WOULD NOT BE LIMITED TO TRADE AMONG MEMBER COUNTRIES, I.E., FINANCING COULD BE USED FOR EXPORTS FROM ADB MEMBERS TO NON-MEMBER COUNTRIES. BANK STAFF ESTIMATES THAT AMOUNT OF CREDIT EXTENDED PER YEAR MAY APPROXIMATE \$30 MILLION.

4. U.S. DIRECTOR BELIEVES INOUE HAS NO PARTICULARLY STRONG FEELING ABOUT ADB INVOLVEMENT IN EXPORT FINANCING BUT, RATHER, WANTS TO REMOVE POTENTIAL SOURCE OF CRITICISM AT FORTHCOMING ANNUAL MEETING. EXPORT FINANCING PROPOSAL HAS BEEN RAISED ON NUMEROUS OCCASIONS IN PAST DATING BACK TO INDIAN GOVERNOR PROPOSAL IN 1969, DISCUSSED INFORMALLY WITH BOARD AT COFFEE SESSIONS, BUT NEVER DEVELOPED INTO ACTUAL PROPOSAL FOR BOARD CONSIDERATION.

5. WOULD APPRECIATE COMMENTS SOONEST SUCH THAT INOUE MAY BE INFORMED SPECIFICALLY REGARDING U.S. POSITION.  
SULLIVAN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, FINANCIAL MARKETS, FINANCIAL DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 JAN 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Executive Order:** N/A  
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**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 AUG 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <07-Aug-2002 by martinml>; APPROVED <04-Sep-2002 by MorefiRH>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
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**TAGS:** EAID, EFIN, ADB  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005